



# **TEDCO Programs**

**April 2014**

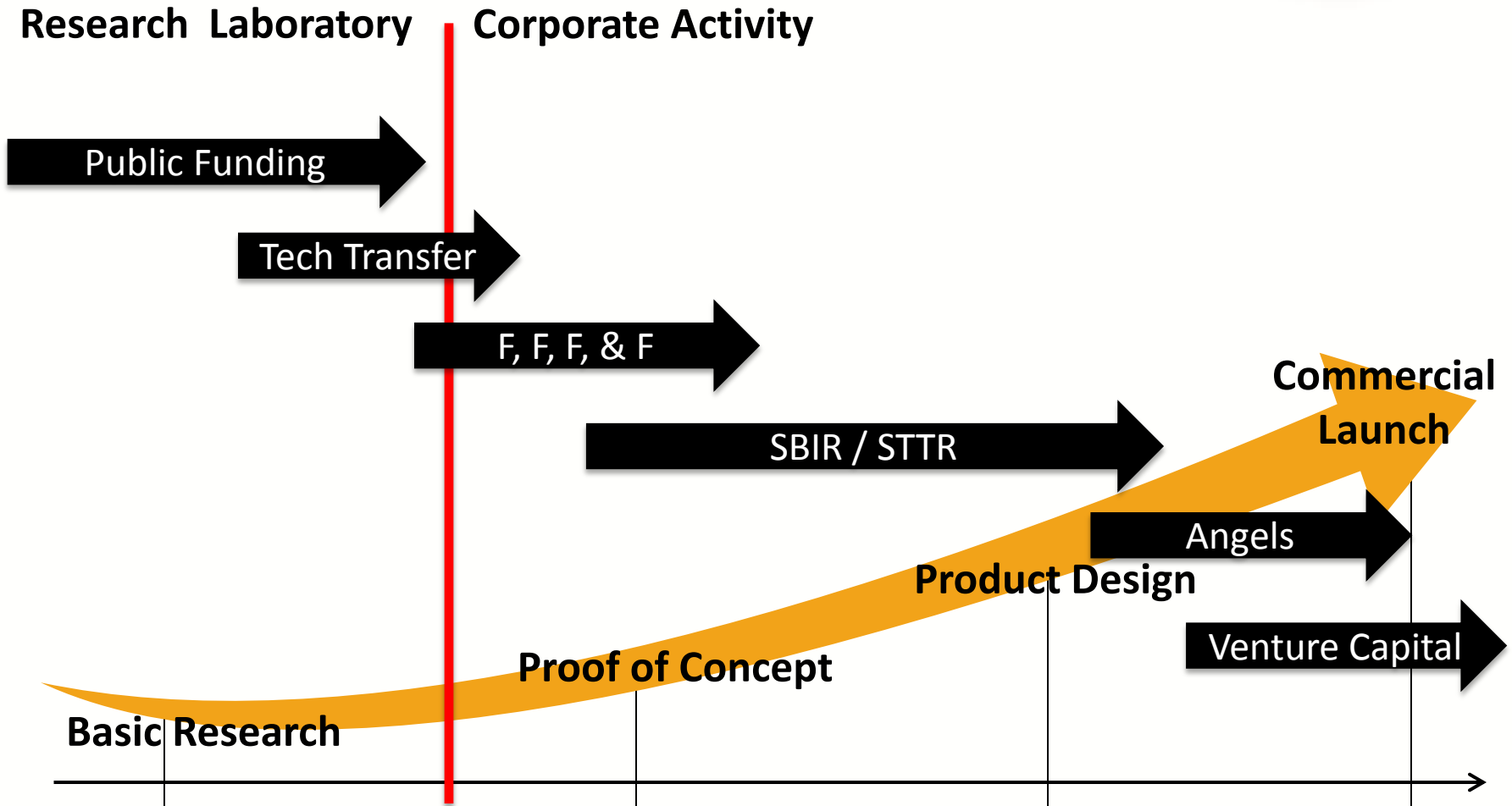
Full Briefing 2<sup>nd</sup> Friday of every month @ TEDCO, 2:00 to 3:30

To facilitate the creation and growth  
of businesses throughout all regions of the  
State by supporting entrepreneurship  
and innovative technologies

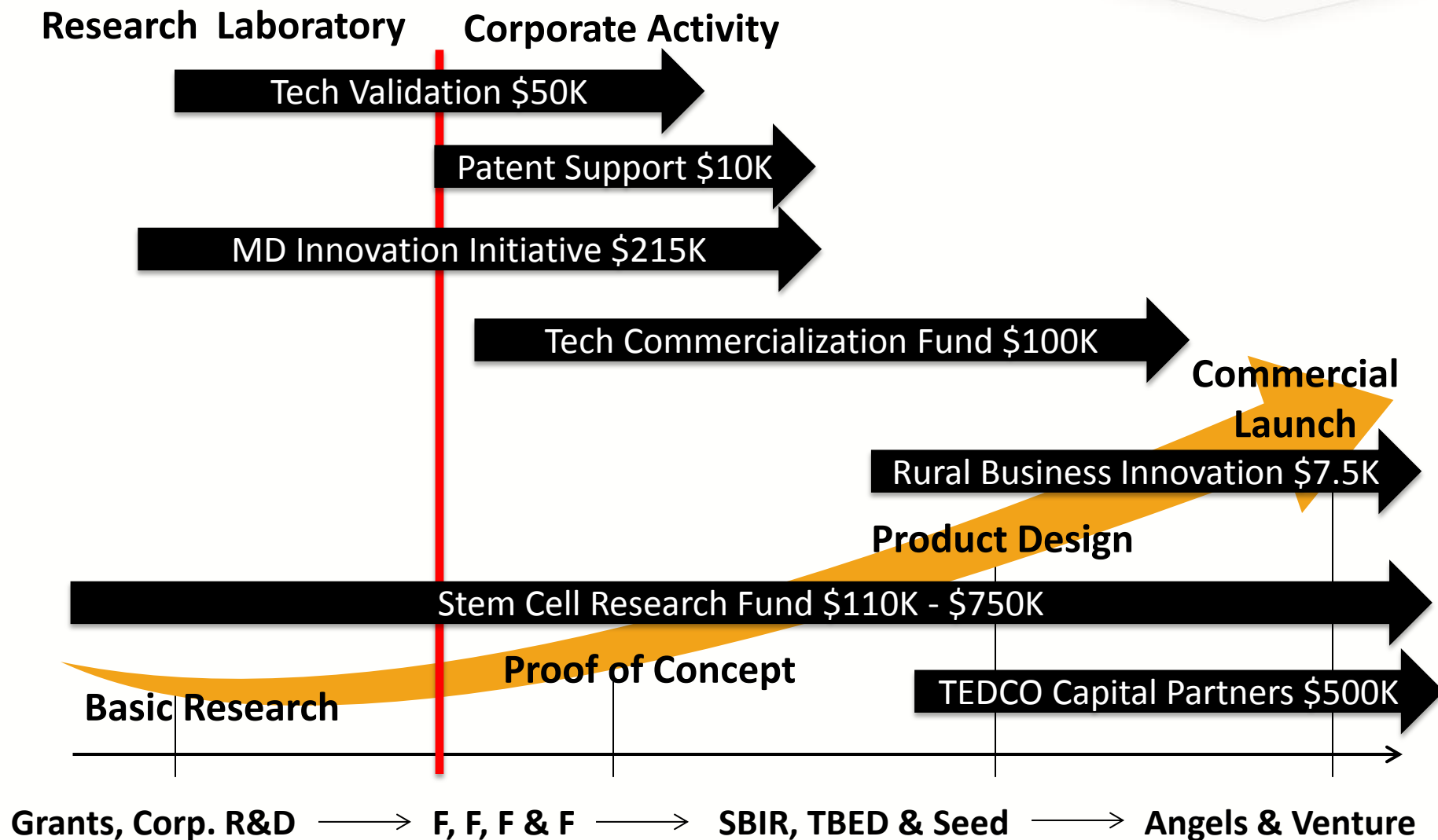
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Maryland will be internationally recognized  
as a premier location for innovation, company  
formation, and entrepreneurship

# Conventional Funding



# TEDCO Programs



# Technology Commercialization Fund (TCF)



- Facilitate the commercialization of technology by Maryland companies
- Significant collaboration/product development required
- Projects up to 12 months and up to \$100K award
  - Requires a 50% company match (can be In-Kind)



- Achieving technical/budget/schedule milestones
- Finding continuation funding
  - 225 projects funded; \$15.4M
  - 190 projects completed; \$12.1M
  - \$532M in continuation funding
  - 44 : 1 leverage
  - Follow-on funds were raised from Angel, VC, SBIR, State, Debt Capital, Fed Contracts, Strategic Partners, ...

- Recipient must be Maryland technology based for-profit company
  - Fewer than 16 employees (FTEs) AND
- Recipient must be early stage
  - No revenue (Revenue = commercial product sales/services)  
OR  
• Venture investment no more than \$500K total
- Meet the ‘significant collaboration’ requirement

- Companies engaged in a Significant collaboration:
  - Federal Lab, or Academic Institution in Maryland
  - Non-profit research organization
  - Under a license agreement or a research agreement
- Companies receiving Significant coaching:
  - Incubator companies receiving business assistance (3mo.)
  - ACTiVATE and INNoVATE Graduates
  - Companies receiving RBI2 assistance



# Application Process

- Submission deadline 1st of each month
- Review process requires two months
- On-Line:
  - Proposal guidelines (RFA for TCF / Checklist for TCF)
  - TEDCO Agreement (Note Purchase Agreement)
- Proposal submitted on TEDCO website

<http://tedco.md/program/technology-commercialization-fund-tcf/>

# Review Process

- In by the 1st
- 60 days to Final Decision
- Four stage review
  - Compliance Review
  - Preliminary Review
  - Final Review
  - Final Decision



# TEDCO Agreement Terms

## –Funding Tranches

- 25% upfront / 25% at Milestones with report and invoice
- Final payment with final report and closeout site visit

## –Annual reporting of economic impact

## –Convertible Note Purchase Agreement

## –Payback: 8% interest

## –May be converted to equity

## –Payback period indefinite until the obligation is fulfilled



# Rural Business Innovation Initiative (RBI<sup>2</sup>)

- Strengthening existing and emerging companies in rural regions
- Build entrepreneurial tech communities in the rural regions
- Assist small technology oriented companies
  - with critical assistance to move their companies forward
  - at no cost to the company

## –Business assistance (examples)

- business model or strategy
- market strategy/analysis and competitive analysis
- funding opportunities and introductions
- financial analysis
- business plan and grant review

## –Technology assistance (examples)

- intellectual property
- prototype development
- manufacturing problem solving
- green assessments, etc.

- For Profit Company
- Involved in developing new technologies or utilizing technology to create new businesses
- Less than 16 employees
- Annual revenues less than \$1M
- Age of company is not a factor





# Investment Programs



–Technology Commercialization Fund

–TEDCO Capital Partners

- Propel Baltimore Fund
- Orange Knocks Cyber Fund<sup>2</sup>
- Veterans Opportunity Fund<sup>2</sup>
- Chesapeake Regional Innovation Fund<sup>1</sup>

1-Currently in formation stage

2-Currently raising capital

- Achieving the Commercialization of Technology in Ventures through Applied Training for Entrepreneurs (ACTiVATE)
- INNoVATE offers 12 months of entrepreneurship and business development leadership training
- Maryland Entrepreneur Resource List (MERL)
- The Maryland Rural Business Innovation Initiative (RBI2)
- TEDCO Portfolio Workshops & Webinars

# Benefits of TEDCO Funding



- Access to business and technical assistance
- Access to Venture Capital, angels, and strategic partners
- Publicity through TEDCO press releases
- Recognition and reputation of state programs
- Workshops for TEDCO funded companies only
  - Meet one on one with experts
  - Network with other companies

# Thank You



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